

Federal Housing Finance Board

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each share of Bank stock it was required to hold as of the record date. If a Bank establishes a voting preference for a class of stock, the members with voting rights shall remain subject to the provisions of section 7(b) of the Act (12 U.S.C. 1427(b)) that prohibit any member from casting any vote in excess of the average number of shares of stock required to be held by all members in its state.

[66 FR 8308, Jan. 30, 2001, as amended at 67 FR 12845, Mar. 20, 2002]

§915.6 Elective director nominations.

(a) *Election announcement.* Within a reasonable time in advance of an election, a Bank shall provide to each member in its district a written notice of the election that includes:

(1) The number of elective directorships designated as representing the members in each voting State in the Bank district;

(2) The name of each incumbent Bank director, the name and location of the member at which each elective director serves, and the name and location of the organization with which each appointive director is affiliated, if any, and the expiration date of each Bank director's term of office;

(3) A brief statement describing the skills and experience the Bank believes are most likely to add strength to the board of directors, provided that the Bank previously has conducted the annual assessment permitted by §915.9 and the Bank has elected to provide the results of the assessment to the members;

(4) An attachment indicating the name, location, and FHFB ID number of every member in the member's voting state, and the number of votes each such member may cast for each directorship to be filled in the election, as determined in accordance with §915.5; and

(5) A nominating certificate.

(b) *Nominations.* (1) Any member that is entitled to vote in the election may nominate an eligible individual to fill each available elective directorship for its voting State by submitting to its Bank, prior to a deadline to be established by the Bank, a nominating certificate duly adopted by the member's governing body or by an individual au-

thorized to act on behalf of the member's governing body.

(2) The nominating certificate shall include the name of the nominee and the name, location, and FHFB ID number of the member at which the nominee serves as an officer or director.

(3) The Bank shall establish a deadline for submitting nominating certificates, which shall be no earlier than 30 calendar days after the date on which the Bank mails the notice required by paragraph (a) of this section, and the Bank shall not accept certificates received after that deadline. The Bank shall retain all nominating certificates for at least two years after the date of the election.

(c) *Accepting nominations.* A Bank shall notify in writing any person nominated for an elective directorship promptly upon receipt of the nominating certificate. A person may accept the nomination only by submitting an executed director eligibility certification, as prescribed by the Finance Board, to the Bank prior to the deadline established by the Bank. A Bank shall allow each nominee at least 30 calendar days after the date of the notice of nomination within which to submit the executed form. A nominee may decline the nomination by so advising the Bank in writing, or by failing to submit a properly executed director eligibility certification prior to the deadline. Each Bank shall retain all information received under this paragraph for at least two years after the date of the election.

[63 FR 65689, Nov. 30, 1998, as amended at 65 FR 8259, Feb. 18, 2000; 66 FR 8308, Jan. 30, 2001; 71 FR 40647, July 18, 2006]

§915.7 Eligibility requirements for elective directors.

(a) *Eligibility verification.* Based on the information provided on the director eligibility certification form prescribed in the Data Reporting Manual issued by the Finance Board, as amended from time to time, a Bank shall verify that each nominee meets all of the eligibility requirements for elective directors set forth in the Act and this part before placing that nominee on the ballot prepared by the Bank under §915.8(a). A Bank shall not declare elected a nominee that it has reason to

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know is ineligible to serve, nor shall it seat a director-elect that it has reason to know is ineligible to serve.

(b) *Eligibility requirements.* Each elective director, and each nominee, shall be:

(1) A citizen of the United States;

(2) An officer or director of a member that is located in the voting state to be represented by the elective directorship, that was a member of the Bank as of the record date, and that meets all minimum capital requirements established by its appropriate Federal banking agency or appropriate state regulator.

(c) *Restrictions.* (1) A nominee is not eligible if he or she:

(i) Is an incumbent elective director, unless:

(A) The incumbent director's term of office would expire before the new term of office would begin; and

(B) The new term of office would not be barred by the term limit provision of section 7(d) of the Act (12 U.S.C. 1427(d)).

(ii) Is a former elective director whose service would be barred by the term limit provision of section 7(d) of the Act; or

(iii) Is an incumbent appointive director.

(2) For purposes of applying the term limit provision of section 7(d) of the Act (12 U.S.C. 1427(d)), a term of office that has been adjusted to a period of less than three years in accordance with §915.17(a)(2) shall not be deemed to be a full term.

(d) *Loss of eligibility.* (1) An elective director shall become ineligible to remain in office if, during his or her term of office, the stock directorship to which he or she has been elected is eliminated or is redesignated by the Finance Board as representing members located in another state, in accordance with §915.3(b). The incumbent director shall become ineligible after the close of business on December 31 of the year in which the directorship is redesignated or eliminated.

(2) In the case of a redesignation to another state, the stock directorship shall become vacant after the close of business on December 31 of the year in which the directorship is redesignated and the resulting vacancy shall be

filled by the board of directors of the Bank for the remainder of the unexpired term with a person who is an officer or director of a member located in the newly designated state, pursuant to section 7(f) of the Act (12 U.S.C. 1427(f)).

[63 FR 65689, Nov. 30, 1998, as amended at 65 FR 8259, Feb. 18, 2000; 65 FR 41569, July 6, 2000; 66 FR 8308, Jan. 30, 2001; 67 FR 12845, Mar. 20, 2002; 67 FR 39791, June 10, 2002; 71 FR 35500, June 21, 2006]

§915.8 Election process.

(a) *Ballots.* Promptly after verifying the eligibility of all nominees in accordance with §915.7(a), a Bank shall prepare a ballot for each voting State for which an elective directorship is to be filled and shall mail the ballot to all members within that State that were members as of the record date.

(1) A ballot shall include at least the following provisions:

(i) An alphabetical listing of the names of each nominee for the member's voting state, the name, location, and FHFID ID number of the member each nominee serves, the nominee's title or position with the member, and the number of elective directorships to be filled by members in that voting state in the election;

(ii) A statement that write-in candidates are not permitted; and

(iii) A confidentiality statement prohibiting the Banks from disclosing how a member voted.

(2) At the election of the Bank, a ballot also may include, in the body or as an attachment, a brief description of the skills and experience of each individual nominee.

(b) *Statement on skills and experience.* If a Bank has conducted an annual assessment permitted by §915.9 and has included the results of the assessment as part of the notice to members required by §915.6(a), it may include with each ballot a statement regarding the types of skills and experience the Bank has determined are most likely to add strength to the board of directors. If the statement differs from the statement provided under §915.6(a)(3), the Bank also shall include an explanation of why the statements differ.

(c) *Lack of nominees.* If, for any voting state, all directorships to be filled in